श्री राधाकिशन मालवीय: वह ठक्कर की बात नहीं है, यह जर्नलिस्टों की है।

श्री सत्य प्रकाश मालवीय: तो उनका समय मत बढ़ाइए , सरकार अपने स्तर पर फैसला ले ले।

उपसभापति : माननीय सदस्यों का यह कहना है कि सात बार यह जर्नलिस्टों के वेतन के बारे में जो रिपोर्ट है उसकी अवधि बढ़ा दी है और आप कहते हैं कि आप बढ़ाना नहीं चाहते हैं। उनकी चिट्ठी आई है कि दोबारा बढ़ाई जाए. आज 31 तारीख है। मैं आपसे यह निवेदन करूंगी कि आप शाम तक इस बारे में उनसे मिलकर निर्णय लें जो भी आपको लेना है और हाउस को बता दें तो अच्छा होगा।

श्री राधाकिशन मालवीय: इस संबंध में आपको शाम तक जानकारी देंगे।

THE DEPUTY CHAIRMAN: Now I ask Mr. Ajit Panja to move the Income-tax (Amendment) Bill, 1989, as passed by the Lok Sabha.

STATUTORY RESOLUTION DISAPPROVING INCOME-TAX (AMENDMENT) ORDINANCE, 1989 (NO. 1 OF 1989) PROMULGATED BY THE PRESIDENT ON 24TH JANUARY, 1989

AND

INCOME TAX (AMENDMENT) BILL, 1989 — *contd.*

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): Madam, I beg to move:

> "That the Income-tax (Amendment) Bill, 1989, to replace the Income-tax (Amendment) Ordinance, 1989, as passed by the Lok-Sabha, be taken into consideration."

Madam, the hon. Members may recollect that on 8th December, 1988, the Soviet Republic of Armenia was hit by a massive earthquake which killed more than 50,000 people and caused large-scale damage to properties. India was one of the first countries in the world to send relief materials to the victims of the earthquake. To augment the resources for providing relief to the survivors of the earthquake, a Special Fund, called "Prime Minister's Armenia Earthquake Relief Fund" was opened to receive contributions in cash or by cheque from individuals and organisations. In order to encourage contributions to this Fund, it was proposed to provide 100 per cent deduction from the gross total income in respect of contributions to this Fund by amending Section 80G of the Income-tax Act, 1961.

Further, in order to facilitate the payment of lease rent without deduction of tax at source by Air India and Indian Airlines against acquiring an aircraft on lease from the Government of a foreign State or a foreign enterprise under an agreement approved by the Central Government, it was proposed to amend the provisions of section 10 of the Income-tax Act, 1961, so as to exclude the payment of the lease rent from the purview of the total income.

As the Parliament was not in session and it was necessary to take immediate action with regard to the amendments to the provisions of the Income-tax Act for the aforesaid purpose, an Ordinance, called the Income-tax (Amendment) Ordinance, 1989, was promulgated by the President on 24th January, 1989.

The Income-tax (Amendment) Bill, 1989, seeks to replace the Income-tax (Amendment) Ordinance, 1989. The provisions of the Bill will come into force from the 24th January, 1989, the date on which the Ordiance was promulgated and will be relevant for computing the income for assessment year 1989-90 and subsequent years.

[Shri Ajit Singh]

Madam, I trust that this Bill will receive the unanimous support of the House.

The questions were proposed.

THE DEPUTY CHAIRMAN: The Resolution and the Bill are now open for consideration. Mr. Kamal Morarka.

SHRI KAMAL MORARKA (Rajasthan): Madam, I do not want to again go over what my esteemed colleague, Jaswant Singhji, has already gone into, that is, the basic principle of issuing ordinances. Right from the time of Pandit Jawaharlal Nehru and Mrs. Indira Gandhi, it has been a well-established convention that ordinances are issued only in cases of extreme emergency and certainly not if the Parliament is likely to meet in the immediate future. In this particular case, the earthquake has taken place on 8th of December and the Ordinance has been issued on 24th of January, *i.e.*, about six weeks after the earthquake, when Parliament was to meet in another three weeks. If Government could wait for six weeks, it could wait for another three weeks. That is my point number one.

I would like to know the figures from the Minister in his reply. I would like to know how much money came into the fund up to the date of the Ordinance. Obvioulsy, the Ordinance was issued so that more funds can come in if people get hundred per cent exemption. I want to know how much more money has come in after this exemption had been granted. This is one point. The other point is that donations upto Rs. 250/- are remaining outside this exemption. It is only larger donations. It means that this Ordinance is not there really to collect money from the common people. It is to collect money from the corporate bodies, institutions, banks, etc. So, this could have been included in the Finance Bill when it came There was no need for the Ordinance at all

Another peculair feature is that this Armenian Earthquake Relief Fund is of a temporary nature. Once the money is collected, we will give it to the Soviet Union and I hopefully think that the fund will be closed. Are we creating a permanent fund to take cognizance of future disasters? If we are creating a fund only for Armenia, I do not think Armenia should now figure in the legislative lexicon of this country. In the Income-tax Act, there will be Armenia for all times to come. I think it is a very funny thing. I sympathise with the people of Armenia. There have been disasters in Bhopal and in Bihar which have touched us muchmore. So, I do not think it is justified that our legislation now should also start having words connected with disasters abroad. I think it is uncalled for.

The other amendment is about the Air India and the Indian Airlines. Again I do not want to repeat what Jaswant Singhji has already stated. I am on another point. Procedurally, even that amendment should have come in the Finance Bill. Only the Air India and the Indian Airlines have to make the payment. The Government should have told them to make the payment of the lease rent. I understand the need for more aircraft. But we are not discussing the Air India and the Indian Airlines. So, I will not go into the justification or otherwise of taking aircraft on lease. The Government has allowed them to take the aircraft on lease. Firstly, lease payment will always be an item deductable under the Income-tax Act. So, I do not think that you have to amend the Act for that. That is the money spent for purpose of earning income. In Section 10, that lease rent would be an allowable deduction to the Air India and the Indian Airlines anyway. I think the only difference - the Minister can correct me if I am wrong is that you wanted them to make payment without deducting the tax at source. That is the only difference. Again the Ordinance was not required for that. They could have made the payment. In the

Finance Bill, you could have included this clause that payment for lease rent of aircraft will be excluded from its purview.

I am on two points. One is this tendency to rush into ordinances and take Parliament for granted. Secondly, in the entire gamut of taxation law, recently we have seen that the House passed the Direct Taxes (Amendment) Act, 1987, and the House has reversed most of the provisions by the Direct Taxes (Amendment) Act, 1988, which has been renamed Direct Taxes (Amendment) Act, 1989 because we passed this in this session. That was a case of legislative acrobatics. I think, if we are trying to tell the people that we are excellent in somersaulting thrice in a year, well, it is up to the Government. But, I think, it does not lend any confidence among the tax-payers or the assesse.

Similarly, this is an Act of legislative irrelevance. We are just passing an irrelevant legislation. It could have been easily included in the large Finance Bill which is coming and which we will be passing in three weeks. These two clauses could have been put into that. We have gone through an Ordinance unnecessarily, by passing Parliament, again we are discussing it, passing such an Act, again we are putting Armenia into the Act which is totally uncalled for. All these could be avoided merely by a little diligent processing by the Finance Ministry.

Now I want to make my final point. I do not want to extend --I saw in the other House--the scope of the discussion to the larger issues of Income-tax, but only to these two issues. But the connected issue is the management of the Income-tax Amendment Act. This management itself needs improvement. Recently, in regard to the definition of the word 'income' we have empowered the Government to change it by notification. It is not proper. Nowhere, in any other Act-the definition forms Section 2 or Section 3 of an Act—But if you allow the Government to go on changing the definition, I think, the sanctity of legislation, the sanctity of Parliament is reduced to that extent. In this particular case which we have done, it is mainly for cash compensatory allowance which really affects the salaried people. And becuase some High Court has given a judgement excluding that from income, the Government has taken power again to include it in income. I think, it was uncalled for. what we could have done is even if we want to amend, we would have amended the definition with prospective effect. We have given it restrospective effect from 1962, and further, we have empowered the Government which can go on changing the definition of the word 'income', without coming back to Parliament. I think, it is totally improper. I want the Minister to consider this because nothing can be done. When the Direct Tax Code comes which, I believe, is under drafting, I want the Minister to consider whether we can come up with a rational tax law which is more easily understandable, and we do not have to come back to Parliament again and again.

Finally, Madam, I want to say this tnat in a the last three years of this Government, we have had a craze for everything foreign; foreign technology, welcome; foreign goods, welcome; modernisation, welcome. But here I see even a foreign earthquake is getting more benefit than an Indian earthquake. This is not fair because if there is an earthquake in Bihar, If anybody donates money to the Chief Minister's Relief Fund, he will get only 50 per cent exemption. For the Armenian earthquake, you get 100 per cent exemption. Now this signal to the people, I have not understood. If I want to help my own brothers in Bihar, you will give me only 50 per cent relief. I am not against Aremenia. I am not against sending money to Russia. Let that be clear. But this distinction is wholly uncalled for. I do not know, I cannot tell my poor brethren of Bihar that this is OK, if

[Shri Kamal Morarka]

the Government wants, we will import everything. But how do we import an earthquake? We will have to have an Indian earthquake.

With these words, Madam, I leave the matter at that.

Thank you, very much.

SHRI SANTOSH BAGRODIA (Rajasthan): Madam Deputy Chairman, I rise to support this Income-Tax (Amendment) Bill 1989. To begin with, I would like to refer to a few points raised by my learned Opposition colleagues about the Ordinance being issued after six weeks. Madam, It is true that it is an unfortunate, unprecedented earthquake which occured in Armenia in the USSR where more than 50,000 people died, lakhs of people were injured and vast property was damaged.

It was the people of our country who, under the leadership of our Prime Minister, Shri Rajiv Gandhi, rose and decided to help these unfortunate people in a friendly country, the USSR. It is for this reason that a special fund was created in the Prime Minister's Relief Fund. The experience from it till 24th, when the Ordinance was issued, was that response was not as good as it was expected. I can tell you from my personal experience that before this Ordinance was issued, only 50 per cent of the amount donated was allowed to be exempted from income-tax, but the moment this Ordinance was issued, many people came forward and our hon Finance Minister is going to give the exact figures. Donations poured in more heavily. I do not know whether my opposition friends or their supporters-- or some of them --who are supporting USSR policies as such, have really come forward to help these unfortunate people or not. When any action is taken under such conditions, human consideration is the most important consideration, and I do not think we should get into this kind of an argument

Madam, recently, after the Budget was presented, one of our well-known jurists — and a tax consultant — who tours all over the country to talk about these proposals, could not find any substantial fault in the monetary policy of the country. He could only use a lot of adjectives to make his speech appear impressive on some insignificant points presented in a distorted manner.

Coming to this income-tax again, our hon. friend has charged that 8 per cent surcharge on income above Rs. 50,000 is unfair, which is being agreed to be raised to Rs. 500,000 for Nehru Rozgar Yojna. I would like to point out that this is not a burden as explained by the jurist because firstly it replaces the existing 5 per cent surcharge, and secondly the benefit of reduced tax at a lower slab of Rs. 20,000 to Rs. 25,000 also goes to the higher-income group.

At this stage I would also like to draw the attention of the hon. Finance Minister to the moratorium on sick industries. What is happening is, whenever an industry goes sick, we know the reasons for its sickness. It is not because of the suppliers. The basic reason is, of course, bad management, untimely release of funds by the financial institutions, wrong government policies, labour unrest and bad leadership. But instead of that, it is the poor supplier who is the most affected under these circumstances. On this point, our hon. Finance Minister is requested to look into this aspect more seriously that whenever any moratorium is given, the fate of poor suppliers should also be considered.

Madam, my way of thinking on this income-tax, which I have been pursuing for quite some time is that we do not need all these amendments if we can completely withdraw the income-tax from the country, about which I have said in the past also and I would like to reiterate that only 4 to 5 per cent of our total revenue every year comes from income-

tax. That means about Rs. 4,000 crores. As against this, the total quantum of unaccounted money in the national stream is about Rs. 4 lakh crores. Even if 50 per cent of this is unearthed we can get about 20 per cent of this by way of different taxes. By this process we will be able to get about Rs. 20,000 crores which is about four or five times of the present revenue from income-tax. There will be the added advantages of more employment and growth in the economy.

Madam, while I am speaking on this Income-tax (Amendment) Bill, I would like to mention something in regard to the benefits given to the retiring Government employees. The retiring Government employees are getting the benefit of income-tax exemption in relation to the benefits they get at the time of retirement. The hon. Finance Minister has now confirmed that this benefit would be given to the employees of public sector undertakings also. But I cannot understand why he has not included the private sector employees. Recently, he announced in an exclusive interview to 'The Hindu' of 6th March, 1989,- I quote: "About the private sector I cannot say anything; it is for them to decide", as if the private sector employees are not the citizens of this country. Since they are also taxed during their prime time, the benefit which you are giving to the retiring Government employees should also be given to them, to the private sector employees, at the time of their retirement. After retirement they do not have any other source of earning. These people cannot be left to the mercy of the private sector which is not yet fully developed in the country. Secondly, there is no pension for the private sector employees. Therefore, the terminal benefits should be considered as pension and they should be distributed over a period of ten to fifteen years.

In regard to the salaried people, there should be a different provision in the Income-tax Act as they should get more benefit than self-employed people.

My last point is in regard to the Income-tax Act as such. We have been telling the hon. Finance Minister. The taxation laws are very complicated. Now, this amendment has come. Such amendments are brought forward from time to time. Sometimes, we are made to feel as if these laws are meant only for the consultants and not for the ordinary people on the road. There is no authority either in the judiciary or in the Income-tax Department or in the Finance Ministry who can clarify a law. Even if you write to the Income-tax Department for clarifications, they do not clarify. The assessee or the common citizen has to go on guessing. Madam, my colleague, hon. Member Shri Jagesh Desai, and myself were trying to understand this particular amendment. We were just trying to understand as to what will be the pros and cons of this particular amendment on the Indian Airlines and Air India. We could not understand it after breaking our heads for quite some time. I am confused and I am sure he is not also very clear.

SHRI JAGESH DESAI: Now I am very clear.

SHRI SANTOSH BAGRODIA: He may say so, but he still needs some clarification. Therefore, as I said, there should be some authority in the Finance Ministry who can clarify authoritatively the points raised by the common people. Madam, with these observations, I thank you for giving me this opportunity.

SHRI SUKOMAL SEN (West Bengal): Madam Deputy Chairman, of course, there is nothing to object in this amendment Bill. But I have something to say in this connection.

Firstly, this practice of the Government of promulgating Ordinances is reprehensible and it should be avoided. Only in

[Shri Sukomal Sen]

cases of emergency Ordinances should be brought forward. A point has been made by my friend, Mr. Morarka. I do not want to repeat it. But I would like to point out that this Bill, instead of dealing only with the contributions made to the Prime Minister's Armenia Earthquake Relief Fund, should have been a generalised one. Why do I say this? Tomorrow or the day after, such situations may arise in this country or in other countries, may be of lesser dimension or bigger dimension. Similar things may happen. Therefore, this Bill should have been a general one so that people would be able to get the benefit and you need not come up with such amendments every time.

12.00 NOON

Inside the country and outside the country. This type of drafting of Bills is totally erroneous and indicates that the Government has not applied its mind properly. They have done it in a casual manner. That is why I would request the Government to think over it. Now this Bill will be passed. But that is a different thing. In future, when they come forward with an amendment bill, they should do so after thorough comprehension that these things may recur, these are the possibilities and probabilities and this is how it should be drafted.

Is would also like to urge upon the Government that while they are giving this Income-tax relief in respect of donations to the Armenian Relief Fund, they should think over it and extend it to Chief Ministers' Relief Funds. In all the States, there are Chief Minister's Relief Funds and in case of natural calamities and other things, donations are collected for these relief funds and those donations are distributed. In those cases also, the Income-tax exemption should be given to the donors who want to donate to Chief Minister's Relief Fund. Even in case of other calamities, like what has happened in Bhopal, or what has happened in Bihar, similar things can happen in other parts of the country, though of lesser dimension. In that event, it is a case of human tragedy, whether of a bigger dimension or lesser dimension. Whether two thousand people die or twenty thousand people die, people are dying. In those cases, people are donating for suffering humanity, for giving relief to the survivors. So there also, the same exemption from Income-tax should be given for donations to these funds. But this is not provided here. This should be brought in by the Government while summing up the debate.

Another point which I want to place here is about exemption limit for the low-income group people. Although it is not directly connected with it, I am taking advantage of this occasion to request the hon. Minister to consider this suggestion, particulary for the low-income group people. In this Budget, the Income-tax exemption limit has not been raised for the salaried low-paid people. The exemption limit is Rs. 18000. There has been a persistent demand from the working class and employees that this should be raised to Rs. 25000. But that was not agreed to by the Government. I would request the hon. Minister to consider this aspect also and for giving relief to the low-income group people, the Income-tax exemption limit should be raised to Rs. 25000. Not only that, the standard deduction allowed at present is one-third of income upto a maximum of Rs. 12000. This should also be revised to Rs. 50,000 and it should be on a graded slab basis, otherwise the low-income people in these days of high inflation cannot get any relief. Even when their pay is increased, the price rise eats it away. So I would suggest that Government should reconsider these points about exemption limit and standard deduction.

Further, Government should think in a comprehensive way about these exemptions. Again and again Government is coming forward with amendment Bills.

This is not good. As my friend, Mr. Morarka, has pointed out, Government has come out with a notificat n a few days back, which was published in the newspapers, that "income" of the employee/workers includes basic pay, dearness allowance and the city (compensatory) allowance. Why should this be given by notification? Dearness allowance is an allowance to compensate for the price rise. City (compensatory) allowance is an allowance to compensate for extra expenses of the city. But these allowances are included in "income" when it is computed. I would request the Government that dearness allowance and city (compensatory) allowance should not be considered while computing the total income of employees/workers. This should be kept outside it, otherwise the low-income group people will be heavily burdened with Income-tax.

Then, about the surcharge on Income-tax, every year the surcharge is increased, but that surcharge is not divisible. It should be divisible and the States should get a part of the surcharge also.

About the second part of the Bill I have nothing much to say. About the exemption for the airlines, it is all right. But the airlines—both Indian Airlines and Air-India—should see that their fleet is increased so that the sufferings that the passengers have to undergo are reduced. Particularly at the present juncture, to a certain extent the position is eased and people do get some comfort. Both the airlines and the Government also should look into this aspect. Thank you.

SHRI RAOOF VALIULLAH (Gujarat): Madam Deputy Chairperson, I rise to support the Income-tax (Amendment) Bill, 1989. There are two parts of the Bill.

The first purpose of this Bill is to exempt payments made as donations for the Prime Minister's Armenia Earthquake Relief Fund. This is most welcome. Both India and the USSR have stood together the test of time. They have associated with each other and helped each other in war and peace. Therefore, it is a commendable gesture that contributions to the Prime Minister's Armenia Earthquake Relief Fund are to be provided 100 per cent deducation from the gross income by amending section 80G of the Income-tax Act. But there is one point that I would like to mention here—it has been pointed out by some honourable Members, but I want to make it very clear. Supposing some calamity occurs in another friendly country, would you come with another amendment like this? Therefore, I would like to know from the honourable Minister whether a way can be devised in order to make the law flexible so that in every contingency like this, you need not have to come with an amendment or an Ordinance. Calamities can occur anytime, anywhere and, not only the USSR but there are also other countries friendly to us. Therefore, I would like to know from the honourable Minister whether this matter also will be examined.

The Second purpose of this Bill is to facilitate the payment of lease money without deduction of tax at source by Air-India and Indian Airlines against hiring aircraft on lease from a foreign Government or a foreign enterprise, which really means an NRI, under an agreement approved by the Central Government, by amending the provisions of section 10 of the Income-tax Act. Therefore, whereas the first part is humanitarian, the second part is commercial, and the Government has come with this amendment to the Income-tax Act on humanitarian as well as commercial grounds

Madam, as far as the second part is concerned, the Government must also inform the House as to which foreign Govenment and foreign agency is involved, how many aircraft are being obtained on lease and why this exemption

[Shri Raoof Valiullah]

was not taken into consideration when the agreement was finalized. This is a basic question which has been asked by everyone outside and inside the House. Madam, recently the Indian Airlines and Air-India were severely criticized by the Committee on Public Undertakings for their poor performance. When we give this kind of a concession to the public sector undertakings, they must also live up to the expectations of the people of this country and, therefore, I would request the honourable Minister to explain how this would help Indian Airlines and Air-India and how the people of this country would be benefited by it.

Madam, I also take this opportunity to put on record certain facts relating to harassment of tax payers in Gujarat by the Income Tax officials. I take this opportunity because this Bill is concerning the Income Tax Department. I have been receiving numerous complaints from all corners of the State on various issues relating to tax. Two prominent Gujarati dailies published from Ahmedabad and Rajkot, namely, *Sandesh* and *Phoolchap*, had carried a number of news reports and articles pertaining to alleged harassment of tax payers, particularly in Ahmedabad city and Rajkot.

Due to the exposure by the daily, the "SANDESH", the Chief Commissioner of Income-tax had to publicly seek an apology and publish an explanatory note for the guidance of the tax-payers. In Rajkot the entire market was closed down. There was a big morcha. It created not only an unusual situation but also a very pathetic scene both in Ahmedabad and Rajkot. I would like to know from the hon. Minister whether he has some information on that because in the memorandum submitted to the Government of India and to Members of Parliament from Gujarat, the Gujarat Chamber of Commerce and Industry, the Bar Association of Ahmedabad, the Chartered Accountants Association of Gujarat have all listed serveral complaints of harassment by the Income-tax officials in the name of searches and surveys.

In the name of surverys recently 40,000 notices have been issued merely on the ground that a particular person receives electricity bill for more than Rs. 4,000 and that, therefore, he is liable to pay tax. These notices have been published in the newspapers; photocopies have been published. This creates a very bad impression of the Income-tax Department. This kind of a thing, even if it is done, has to be done in a very careful manner. I would, therefore, like the hon. Minister to tell us whether such kinds of complaints against harassment are being received and whether they are being attended to.

Madam, the daily, the "SANDESH" particularly has also mentioned and reported that this is unnecessarily vitiating the relationship between the Department and the tax-payers. It has also mentioned that the Advisory Committees which are set up to advise the Department have also been rendered helpless. The hon. Minister knows that there is the Advisory Committee at the level of the State. These Committees have also been put into a very helpless situation because day in and day out not only these two newspapers but several other newspapers and several other organisations have taken up the matter with the Chief Commissioner of Income-tax at Ahmedabad.

In spite of repeated assurances given by the authorities; the survey operations have caused great inconvenience to the tax-payers, and the basic objective of finding new assessee is totally frustrated due to the Department's indifferent attitude.

Madam, the Chamber of Commerce and Industry has also mentioned that the pragmatic norms that have been laid down for selecting the cases for scrutiny, are not being adhered to, and it is being

done primarily with the motive of making a large addition. Even sincere and honest officers are being coerced into adding to the burdens of the tax-payers, which ultimately proves nothing.

The same matter was raised during the discussion on the General Budget by my hon. colleague, Mr. Vithalbhai Patel also. I do not know whether, when he complained, the Minister has moved in the matter. Again I put this on record that something must be done about it. Some senior officer from the Central Board of Direct Taxes must visit Gujarat, must find out what the matter is, why the newspapers and all the professional bodies are against the Income-tax Department. There must be something.

I do not want to take their side when they evade tax. They must pay the tax, and they must be made to pay the tax. But, when the actual cases of harassment come to the notice of the Department, they must be taken care of.

Thank you.

DR. YELAMANCHILI SIVAJI (Andhra Pradesh): Madam, Income-tax is collected by the Union Government, and it is devolved to the States to the tune of 75 per cent. Whatever is paid to the Prime Minister's Relief Fund is exempt from the tax, and this Bill seeks extension of the exemption to the Armenia Relief Fund.

At the same time, the exemption to Chief Minister's Relief Fund is not statutory. Every three years, four years, the Chief Minister or the State Government has to go to the Commissioner and argue with the Commissioner at his discretion for its exemption under section 80G.

Since the political and administrative situation in the country nowadays is such that in 12 States there are non-Congress Governments and the Commissioners always try to curry the favour of the Government sitting at Delhi, they ask every silly question to the State Governments. They say, look here, your Chief Minister's Fund is not properly appropriated. They are being utilised only for the benefit of the Telugu Desam people or the CPI people or the BJP people but not for the Congress people. So, I am not going to give this exemption. Or they say this amount is being misused or is being diverted only to safeguard the interests of a particular community, say, for instance, the interests of the Brahmins or Reddys. So, I am not here to extend the exemption like that. So, what I would like to suggest to the hon. Minister is that as per 80 (G) he can extend the same facility to the Chief Ministers Relief funds as he has extended to the Prime Minister's Relief Fund. Since 75 per cent of the Income-tax proceeds go to the State Governments, there is nothing wrong in extending the facility to the Chief Minister's Relief Funds also.

The second point is - and several Members also mentioned about it earlier- that the exemption limit of Rs. 18,000 has not been enhanced during the last Budget proposals. It remains at Rs. 18,000 since 1985. But as per the inflation rate, the Rs. 18,000 during 1985 amounts to Rs. 24,800 or Rs. 25,000.

The Government has come forward with another proposal that 5 per cent specific excise duty should be there to contain inflation or in lieu of inflation. The same principle should be applied in extending the exemption limit to the income tax.

Mr. Rajiv Gandhi during 1985 while proposing the Budget proposals had said that he would simplify the Income-tax procedures so that anybody can go to the Income-tax Department and file his Return on a plain paper very easily. But to my dismay, the Income-tax procedure

[Dr. Yelamanchili Sivaji]

and the law has been made so complicated that there are more than fifty thousand Chartered Accountants and more than one and a half lakhs of unqualified tax consultants thriving in the country. They all are thriving because of the bad law that is existing in the country. The Government is not serious enough even to draft the proposals properly.

Recently a surcharge of 8 per cent on income above Rs. 50,000 has been announced. But if you take it into consideration, a person getting Rs. 50,000 as income gets much more than a person getting Rs. 51,000. A person getting Rs. 51,000 as income, after paying his taxes, carries home only Rs. 40,578, whereas a person getting only Rs. 50,000 as income carries Rs. 40,750. So, a salaried man can go to his employer and ask him not to enhance his salary. He is satisfied with Rs. 50,000 so that he need not pay more taxes to the Government and carry less than he was carrying home earlier.

In regard to surchage I may say that it is always against the interests of the State Governments. You can always enhance the income-tax and devolute the funds, but you need not go on enhancing the surcharge and say that you are using it for Nehru Rozgar Yojna; or enhance another 10 per cent for national defence or another 10 per cent for the Family Planning. That way you keep the whole amount with yourself and do not devolute the funds to the State Governments. It is not good. It is not a fair policy on the part of the Central government.

Now, I would like to talk about the corporate taxes. During 1959 the then Finance Minister proposed the corporate tax and the then West Bengal Chief Minister, who belonged to the Congress Party, challenged it in the Supreme Court. The total proceeds of the income-tax were to the tune of Rs. 173 crores. Out of this amount only Rs. 54 crores came from the corporate sector. The paradox of the situation is that according to the latest proposals the corporate tax proceeds are as high as Rs. 4,755 crores whereas the income-tax proceeds are only Rs.4,245 crores. Out of these, corporate tax returns are not divisible to the State Governments. So, I would suggest that the hon. Minister should see that something is devoluted to the State Governments. After all, Mr. S. B. Chavan is also a representative of the Maharashtra State. He represents Maharashtra on the Council of States. primarily he belongs to Maharashtra.

He got elected from the State Assembly and he is here to safeguard the interests of Maharashtra. Likewise, the interests of the State Government are much more important than the interests of the job that he is doing here. So, Sir, what I suggest is to enhance the tax threshold. During 1974 when Mr. Y. B. Chavan while submitting tax proposal said "by enhancing the tax threshold I can get much more returns." The same was repeated by Mr. C. Subramaniam during 1976. While proposing budget proposals the same was repeated by Mr. V. P. Singh during 1985 as well as 1986. So it is desirable to enhance the exemption limit at least to Rs. 25,000.

Even in section 80U and 80J also several discrepancies took place both in the budget proposals of the Minister's speech as well as in the Explanatory memorandum that was supplied to us along with the Budget papers. As far as the retiring people are concerned, there is discrimination between Government employees and non-Government employees. There is a certain exemption to Government employees. Let the relief be extended at least to the public sector units owned by the Union Government if not the State Governments. Likewise, APCO, Civil Supplies Corporation and other corporations owned by our State Government, it is very funny that the Union Government and the Income Tax Department are levying income tax on

the subsidies given by the State Government. So I would like the Minister to note down and see that some exemption is given to State-owned Corporations on the subsidy component that is given by the State Governments.

THE DEPUTY CHAIRMAN: You are going beyond the purview of the Bill. You cannot talk about everything and anything on the income Tax because we have to finish this Bill at 1 O'clock.

DR. YELAMANCHILI SIVAJI: I am not going beyond the scope of the income tax.

THE DEPUTY CHAIRMAN: Please conclude.

DR. YELAMANCHILI SIVAJI: I would request the Finance Minister to see that this exemption given to the "Prime Minister's Armenia Earthquake Relief Fund" is jolly well extended to the State Governments and the Chief Ministers Relief Fund too. Thank you very much.

श्री सुरेन्द्रजीत सिंह अहलुवालिया (बिहार): उपसभापति महोदया, मैं आयकर संशोधन बिल, 1989 का समर्थन करने खड़ा हुआ हूं।

जैसाकि हम सबको ज्ञात है कि पिछले साल आर्मिनिया में जो भूकम्प आया जिसके कारण हजारों लोग मारे गए और लाखों लोग बेघर हो गए। उन्हें कुछ अनुदान देने, कुछ मदद भेजने के लिए प्रधान मंत्री कोष में डोनेशन देने के सम्बंध में और उस डोनेशन में इनकम टैक्स की रिलीफ देने के बारे में जो यह बिल लाया गया है, मैं उसका पूर्ण समर्थन करता हूं।

महोदया, रूस एक ऐसा देश है जो मौके-बेमौके और मुसीबतों में हिन्दुस्तान का साथ देता रहा है। हिंदुस्तान की जनता के साथ रहा है। उसने हिंदुस्तान की सुरक्षा के लिए मदद की है। आज जब उनके यहां एक मुसीबत आ पड़ी है तो हर हिंदुस्तानी का फर्ज बनता है कि हम उनकी आगे बढ़कर मदद करें। परंतु इसके साथ-साथ जैसाकि मेरे दोस्त वली उल्लाह साहब ने कहा कि क्या कभी किसी और दोस्त मुल्क के ऊपर कोई कठिनाई आ जाए तो क्या हम कोई ऐसा कानून नहीं बना सकते ताकि हमें ऐसे विधेयक का संशोधन पास न करना पड़े और जब हम अपने दोस्त मुल्कों की मदद करना चाहें तो आसानी से मदद कर सकें। महोदय, जैसाकि देखा गया है पिछले दो सालों में इथोपिया में सूखा पड़ा था। वहां भूख से लोग मर रहे थे। वहां हिंदुस्तान से अन्न भेजा गया था। उसी तरह से और भी छोटे-छोटे देश हैं जो मुसीबत में हिन्दुस्तान की तरफ आशा-भारी नजरों से देखते रहते हैं कि कोई अनुदान आएगा। तो क्या ऐसे अनुदान देने के लिए क्या ऐसा कोई विधेयक हम पास कर सकते हैं, मेरा वित्त मंत्री महोदय से अनुरोध है कि इस बारे में भी हम गौर करें।

इसके साथ-साथ इसमें एअर इंडिया और इंडियन एअरलाइंस के लिए जहाजों को लाज पर लेने की बात कही गयी है। मैं उसका भी पूर्ण समर्थन करता हूं। पर मैं उसके साथ-साथ आपके माध्यम से मंत्री महोदय का ध्यान आकर्षित करना चाहता हूं कि इण्डियन एयरलांइस और एयर इंडिया में जहां कुछ खामियां हैं, वहां कुछ गुण भी हैं। एक तरफ से मैं खामियों पर आता हूं। इण्डियन एयरलाइंस और एयर इण्डिया के लिए जब इतना कुछ हमारी सरकार खर्च करती है, तो उसमें जो खामी है वह यह है कि वह अपनी अच्छी सर्विस नहीं देते, जनता खुश नहीं होती और ऐसा विधेयक पास करने से पहले समालोचना का कारण बनती है। लेकिन अगर हम रिलीफ नहीं देते हैं तो यह जो नए जहाज हम लीज़ पर लेंगे इस कारणवश हमें किराया बढ़ाना पड़ेगा और जिसके कारण से बहुत से लोग अफेक्टिड होंगे। कई लोगों का विचार ऐसा है कि सिर्फ पैसे वाले लोग ही जहाज पर चढ़ते हैं, पर मेरा कहना यह है कि सिर्फ पैसे वाले लोग ही जहाज पर नहीं चढ़ते, इन जहाजों पर दवाइयां आती हैं, इन जहाजों पर कच्चे पदार्थ आते हैं, इन जहाजों पर मरीजों को एक जगह से दूसरी जगह ले जाया जाता है, इन जहाजों पर स्माल स्केल इन्डस्ट्रीज के मैनेजिंग डायरेक्टर्स और डायरेक्टर्स इसमें जाते हैं, इन जहाजों पर इन्जीनियर और सैल्फ एम्पलायड स्कीम चलाने वाले लोग भी चढ़ते हैं। अगर इन जहाजों का किराया बढ़ाया गया तो अल्टीमेट कास्ट आफ प्रोडक्शन भी बढ़ती है जिस चीज का वह उत्पादन करते हैं। तो मैं इसमें भी सरकार का पूर्ण समर्थन करता हूं।

उप सभापति महोदया, आपके माध्यम से मैं मंत्री महोदय का ध्यान थोड़े और मुद्दों पर आकर्षित करना चाहता हूं। जब इन्कम टैक्स के रीलीफ पर बहस हो रही है तो में कहना चाहता हूं कि सेल्फ एम्पलायड

[श्री सरेन्द्रजीत सिंह अहलूवालिया]

एजुकेटिड स्कीम के माध्यम से जो लोग अपना कारोबार करते हैं जैसे डाक्टर्स हैं, लायर्स हैं, इंजीनियर्स हैं, उनका एग्जाशन का रेट क्यों नहीं बढ़ता? इनकी इन्कम पर एग्जशन का रेट क्यों नहीं बढ़ता, उसके ऊपर क्यों नहीं गौर किया जाता? आज हम कहते हैं कि डाक्टर्स की बड़ी-बड़ी बिल्डिंग्स हैं, मगर देखना यह है कि डाक्टर्स के पास, इंजीनियर्स के पास, लायर्स के पास सोशियल सिक्युरिटी की क्या चीज है, उसका सर्टिफिकेट, उसका ज्ञान। वह मेहनत करके खाता है। उसको एग्ज़शन मिलना चाहिए और इस पर गौर करने की जरूरत है।

[उपसभाध्यक्ष (श्री सत्य प्रकाश मालवीय) पीठासीन हुए)]

महोदय, इसके साथ-साथ मैं आपके माध्यम से मंत्री महोदय से पूछना चाहूंगा कि पिछले एक साल में रिवेन्यू डिपार्टमैंट ने क्या-क्या किया? क्योंकि यह रिवेन्यू डिपार्टमैंट जब अलग खोला गया है, एक अलग मिनिस्टर बैठाया गया है, तो आपने कितने रेड्स करवाए, काला-बाजारियों के यहां या ब्लैक मनी-ओनर्स के यहां पर या इन्डस्ट्रीयल हाउसिज के यहां पर और उससे आपने इन्कम टैक्स डिपाजिट में कितनी संख्या बढ़ाई है? उसकी दर बताने की कृपा करेंगे ताकि हमारे इस सदन के सदस्यों को पता लग सके कि आपके आने से या अलग मंत्रालय या विभाग खोलने से सरकार को क्या फायदा हुआ है, मुल्क को क्या फायदा हुआ है?

यह विचार रखते हुए, यह गुजारिश करते हुए कि आप मुझे यह बताने की कृपा करेंगे, मैं इजाजत चाहता हूं। धन्यवाद।

श्री महेन्द्र सिंह लाठर (हरियाणा) : थैंक्यू मिस्टर चेयरमैन। मैं आनरेबल मैम्बर जो पहले बोले हैं और जिन्होंने मोशन रखा है, जसवंत सिंह जी ने, कि यह जो आर्डिनेंस है इसको डिस-एप्रूव किया जाए, उसके सपोर्ट में खड़ा हुआ हूं।

उप सभाध्यक्ष जी, मेरा पहला प्वाइंट यह है कि 8 तारीख को कैलेमिटी रूस में आई और पार्लियामेंट 16-17 तारीख दिसम्बर तक सैशन में था। मैं यह बताना चाहता हूं हाउस को कि जब पार्लियामेंट मीट कर रहा था और जब यह ट्रेजिडी रूस के अंदर, एक मित्र देश के अंदर हुई तो इस वक्त पार्लियामेंट के अंदर इन्होंने यह बिल पेश क्यों नहीं किया? सरकार यह बहाना नहीं लगा सकती कि क्योंकि पार्लियामेंट उस वक्त सैशन में नहीं था, इसलिए आर्डिनैंस हमें जारी करना पड़ा।

दूसरे मुझे यह भी समझ में नहीं आया कि अर्थक्वेक के इश्यू को और जो इंडियन एयर लाइंस के जहाज लीज पर लिए गए, इन दोनों इश्यू को कैसे इकट्ठा किया गया है, इससे शक लगता है कि अर्थक्वेक की बात का फायदा उठाते हुए, दूसरे इश्यू को भी उसके साथ क्लब किया गया है।

उपसभाध्यक्ष महोदय, मैं भी इनकम टैक्स के बहुत खिलाफ हूं अभी तक कोई भी ऐसा बहादुर फाइनेंस मिनिस्टर नहीं आया जिसने इनकम टैक्स को स्क्रेप किया हो। सबसे ज्यादा बुराइयां इस देश में इनकम टैक्स ने पैदा की हैं हमें चोर बनाया, हमें हेराफेरी का तरीका सिखाया, मैं तो यहां तक कहूंगा कि जहां तक इनकम टैक्स का ताल्लुक है

"Everybody is naked under the clothes"

नेशनल करेक्टर को अगर सबसे ज्यादा धक्का किसी से लगा है तो वह इनकम टैक्स से लगा है। हमारे मंत्री महोदय जानते हैं कि हमारे मुल्क में पैसे की कमी नहीं है, दौलत की कमी नहीं है। लेकिन उस दौलत में से बहुत सारा हिस्सा जमीन में गड़ा है, सोने की शक्ल में दबाया जाता है जिससे पैसे का फैलाव नहीं होता। मैं समझता हूं कि यह 4-5 परसेंट का रेवेन्यू जो इनकम टैक्स से आता है, इसको नजरअंदाज करके इनकम टैक्स को खत्म कर दिया जाए तो आधे से ज्यादा दिक्कतें हमारे मुल्क में खत्म हो सकती हैं। नंबर एक और नंबर दो का चक्कर खत्म हो सकता है। आज कोई भी बारगेनिंग हो, उसमें नंबर एक और नंबर दो की बात चलती है, यहां तक कि दहेज भी लिया जाता है और दिया जाता है तो पूछा जाता है कि नंबर एक में कितना दोगे और नंबर दो में कितना दोगे। हमारे देश के लोग भी नंबर एक और नंबर दो में बंटे हुए है। हमारे देश में आज नंबर दो के लोग ज्यादा होते जा रहे हैं और नंबर एक के लोग खत्म होते जा रहे हैं। तो मैं नम्रतापूर्वक प्रार्थना करूंगा मिनिस्टर साहब से कि इन लाइनों पर सोचें, कोई नया कदम उठाए।

जहां तक यह कहा गया है कि इंप्लाईज जो इनकम टैक्स के हैं वह कहा जाएंगे। उसके लिए मेरा सुझाव है कि नंबर एक के जो इंप्लाईज हैं उनको दूसरी डिपार्टमेंट

में एडजस्ट किया जा सकता है और नंबर दो के जो हैं उनको घर भेजा जा सकता है।

उपसभाध्यक्ष जी, एक बात मैं आपके ध्यान में और लाना चाहता हूं जो इससे कनेक्टेड है लेकिन बहुत इंपोर्टेंट बात है। जो ऐग्रिकल्चरल प्रापर्टी सरकार ऐक्वायर करती है, उसका जो कंपेंसेशन मिलता है उस पर कैपिटल गेंस टैक्स लगता है, कोई किसान अपनी मर्जी से जमीन नहीं बेचता है, उससे जबरदस्ती सरकार लेती है और कंपेंसेशन देती है तो उस पर कैपिटल गेन्स टैक्स लगता है, या तो किसान को जमीन खरीदनी पड़ती है या कई साल के लिए पैसा बांडों में रखना पड़ता है जो कि गैर कानूनी बात है। यह सेल नहीं है, इसलिए कंपेंसेशन को इनकम नहीं माना जाना चाहिए। लिहाजा जो प्रापर्टी सरकार कंपल्सरिली ऐक्वायर करती है, उसके कंपेंसेशन को कैपिटल गेन्स टैक्स से ऐक्जम्ट किया जाए। *(Interruptions)*.

SHRI SHANKARRAO NARAYAN-RAO DESHMUKH (Maharashtra): It is done.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA) *Please don't reply to him.*

श्री महेन्द्र सिंह लाठर: दूसरे मैं चाहूंगा कि जो नेचुरल कैलैमिटीज हमारे देश में होती हैं, उनकी तरफ भी सरकार को ध्यान देना चाहिए। मैं हरियाणा की बात करता हूं। अभी ओले पड़े, पिछले साल भी पड़े, फसल हमारी तबाह हो गई, इस साल भी नुकसान हुआ और हरियाणा सरकार ने एक सराहनीय काम किया कि 300 रुपये से 500 रुपये फी एकड़ का मुआवजा किसान को दिया। मैं समझता हूं कि यह जो हमारे प्रान्त ने किया है, इस राशि का भुगतान सेंट्रल गवर्नमेंट को करना चाहिए। जहां तक दूसरे प्रदेशों जैसे बिहार, उत्तर प्रदेश में नेचुरल कैलैमिटीज की बात है, उसके लिए सरकार को एक फंड खोलना चाहिए। ताकि जब भी जरूरत पड़े उनकी मदद की जा सके।

दूसरे मैं इस बात की पुष्टि करना चाहता हूं कि जिन दोस्तो ने यह कहा कि सरचार्ज लगाया जाता है इन्कम टैक्स के ऊपर उसका परपज यह नहीं होना चाहिए कि स्टेट गवर्मेंट को वंचित रखा जाए ताकि वह अपना हिस्सा न ले सके। इन्कम टैक्स जो इन्कम पर होता है उसमें सैंटर और स्टेट दोनों भागीदार होते हैं दोनों में तकसीम होता है। इसलिए सरचार्ज को या तो न लिया जाए और अगर लिया जाए तो उसके अंदर भी स्टेट का हिस्सा होना चाहिए। धन्यवाद।

श्री शांति त्यागी (उत्तर प्रदेश): माननीय उपसभाध्यक्ष महोदय, मैं जो इन्कम टैक्ट अमेंडमेंट बिल है उसकी हिमायत करने के लिए खड़ा हुआ हूं। मैं नहीं जानता कि जो हिमायत करने के साथ-साथ एक-दो पवाइंट रखूंगा उन पर मंत्री महोदय का रिएक्शन क्या होगा।

यह बात साफ हो गयी है कि सोवियत रशिया में अरमेनिया में भयंकर अर्थक्वेक आया था वहां के पीड़ितों की, जो उजड़ गये थे या जो घायल हो गये थे, उनकी मदद करने के लिए भारत सरकार ने प्रधान मंत्री अरमेनिया भूकम्प पीड़ित सहायता फंड बनाया। इसका मैं स्वागत करता हूं। हमारी भारत की जनता को बेहद दुख है कि सोवियत रशिया के अंदर यह विपदा आयी। हमारे देश में कुछ ऐसे भाई हैं जिन को रशिया का नाम आते ही एलर्जी हो जाती है। अगर कहीं भगवान न करे ऐसी नेचुरल क्लेमिटी आये, अमेरिका में आये, मैं नहीं चाहता ऐसी कोई क्लेमिटी वहां आये, अगर आती और भारत सरकार उनको इमदाद करती तो शायद उनको रूचिकर लगता, वह उसका वैलकम करते। मैं यह कहना चाहता हूं कि भारतवर्ष और सोवियत रशिया की जो दोस्ती है वह दुनिया में अमन के लिए बेइंतहा जरूरी है। भारत के विकास में रूस का बहुत बड़ा हाथ है। यह नहीं है कि रूस हमको पूरा बनायेगा। मैं सिर्फ यह कहना चाहता हूं कि रूस और भारत की मैत्री हमारे देश के विकास के लिए बेइंतहा जरूरी है। हमारे एक मित्र देश के ऊपर नेचुरल क्लेमिटी आये, अर्थक्वेक से लाखों जानें चली जायें, शहर का शहर बर्बाद हो जाए उस वक्त हम उसकी इमदाद करते हैं तो यह हमारा राष्ट्रीय कर्तव्य बनता है।

प्राइम मिनिस्टर फंड में लोगों ने जो राशि दी है उसको इन्कम टैक्स से बरी किया गया यह बहुत अच्छा काम किया। अब मैं आपसे एक-दो प्रश्न करना चाहता हूं। कहां तो नेचुरल क्लेमिटी के लिए हम इमदाद कर रहे हैं और कहां यह वायुयान की प्रक्रिया, चाहे इंडियन एयर लाइन्स हो या एयर इंडिया हो चाहे विदेशी जहाज हो, यह बात समझ में नहीं आती कि एक ऐसे अवसर

[श्री शांति त्यागी]

पर जहां प्रधान मंत्री, हमारी सरकार और यह हाऊस दुखी है इतने बडे अर्थकुइक की विनाशलीला से वहां पर आप चुपचाप एक कम्पनी को भी रियायत देने के लिए एक क्लाज रख दें यह समझ में नहीं आता। इसीलिए मैंने आपसे कहा कि मैं इस अमेंडमेंट की हिमायत करते हुए एक-दो बात कहूंगा शायद आपका रिएक्शन अच्छा न हो। आप मेहरबानी करके इसको निकाल दीजिए। कोई और मौका तलाश कीजिए अगर यह काम आपको करना है। सदन उस समय उस पर विचार कर सकता है। इस समय इसको छोड़ दीजिए। यह भी जोड दीजिए आम धारा में कि कहीं भी विदेश में या देश में अर्थक्वेक आये इससे बड़ा विनाश होता है...।

अगर कहीं भी नेचुरल क्लेमिटी आई तो जिस लायक भी यह देश है, यह सरकार जो सहायता कर सकती है, उतनी इमदाद हम कर सकते हैं और जो राशि उस फण्ड में जाएगी उसको इनकम टेक्स में छूट मिले, ऐसा कोई जनरल प्रोविजन इस बिल में आप करें। तीसरी बात मैं यह कहना चाहता हूं कि मेरी यह बात इसी से कनेक्टड है, हमारे जो कर्मचारी हैं, उनके सी०सी०ए०, डी०ए० और एच०आर०ए० हैं, उसको आपने टैक्स से एक्जेम्ट नहीं किया है, यह मैंने अखबार में पढ़ा है। इसलिए मेरी गुजारिश है कि जैसे आपने कम्पनी को राहत दी है, आपको इस बात पर भी विचार करना चाहिए कि अपने देश में जो साइंस का निर्माण कर रहे हैं, मेडीसिन का निर्माण कर रहे हैं, दफतरों को चला रहे हैं, शिक्षा संस्थाओं को चला रहे हैं, इन कर्मचारियों का भी ख्याल किया जाय। इनको भी आप इनकम टेक्स में एक्जेम्पशन दें।

मैं यह भी कहना चाहता हूं कि जो डायरेक्ट टेक्स का इवेजन होता है। एवोइडेन्स हो रही है जिसकी वजह से देश में ब्लैकमनी बन रहा है और इस ब्लैकमनी और पैरेलल इकनोमी को क्रश करने के लिए यह आवश्यक है कि डायरेक्ट टेक्सेज के लाज को आप एमेन्ड करें और उनको सख्ती से एक्जीक्यूट करें ताकि देश में ब्लैकमनी का खात्मा हो और देश के विकास में सहायता मिले। इन अल्फाज के साथ मैं इस बिल की हिमायत करता हूं और मैं फिर अपील करना चाहता हूं कि मानवता के नाम पर जो बिल पेश किया गया है उसको आप मानवतावादी ही रखें, उसको व्यवसायिक न बनायें। जैसे यह कम्पनी का मामला है, यह तो बहुत ही तिगड़म वाली बात लगती है। हम लोग देहातों में जिसको तिगड़म कहते हैं, वह मुझे इसमें लगती है। एक बड़े कौज के लिए आपने यह बिल बनाया है, किसी बिजनैस मैन का या विदेशी फर्म को फायदा पहुंचाने के लिए नहीं बनाया है। इसको आप डिलीट कीजिये, यही मेरा आपसे कहना है।

SHRI JAGESH DESAI: Mr. Vice-Chairman, Sir, I support this Amendment Bill. But I would like to express my views regarding the Ordinance. As regards the relief to be given to Prime Minister's Relief Fund for Armenia, I totally agree with the Minister that the Soviet Union has always helped this country in all ways and at all times. They have always helped us when we needed their help. That is why, it is the duty of the people of the country and also of this Government to help the Soviet Union and to see that we make some contribution in order to help those who have been affected by earthquake. For that purpose, I compliment the Government. But I am not able to understand why the Government did not bring the Bill. Our session was up to 20th December. Lok Sabha was up to 16th December. The earthquake took place on 8th December. I think if the Government had been awake at that time, they could have brought the Bill. I think in spite of the pressing reasons and heavy business, they could come after the session was over on 21st December or 24th December. Even there they have failed. They have brought it on 24th of January. If they had brought it earlier, I am sure that more funds could have been collected. This relief is very substantial and 100 per cent deduction is there. I think many people would have come forward during that period. I want to know why this delay was there.

The second thing is regarding the lease rent exemption. I am totally against it. It should not have been brought by an ordinance. Heavens would not have fallen if you had brought it in the Budget. You could have amended the Act then. How was it so necessary and so urgent that it should have been brought by an ordinance?

Secondly, for whose benefit is it? Is it for the benefit of the common man of this country? No. The Air India and the Indian Airlines will be benefited because the effect of this amendment is that the lease rent paid by the Air India or the Indian Airlines or by any other airlines — I do not know which are the others —...to a foreign Government or a foreign enterprise who has given the aircraft on lease, they will get exemption of income-tax on that income. They will get the advantage. And suppose this Amendment was not there. What would have happened? The foreign Government would have asked for more lease rent. It says, no, we want this much without any income-tax. If we have to pay income-tax, then our lease rent will be this much. And if the lease rent was enhanced, then Air India, the Indian Airlines and the others would have to pay more by way of lease rent, and their income would have been less to that extent or their expenses would have been more to that extent. And if it was so, then Air-India or the Indian Airlines should have increased their fare because it is only the executives and the rich people who travel by Air-India or the Indian Airlines, not the common man of this country. If it was taxed, the funds would have come to the Central Government, and those funds could have been utilised for the purpose of the common man. That is why I am against this kind of principle Taxation law should be such that the common man is given relief. Those who can afford they should pay the tax. That is why I am against this Amendment. I am sure, the Government will give a second thought to this. In future, if they are going to give this kind of relief, they should see that if they give this relief whether the relief will be passed on to the common man or not. That is why I would like the hon. Minister to see that this kind of concessions are not given to such industries or such organisations where the common people are not benefited.

Thirdly, Sir, rightly many hon. Members have pointed out that there should be a permanent solution as regards the tax relief to be given by 100 per cent under 80G. Sir, I would like to bring to the notice of the hon. House that in the matter of income-tax relief under 80G, the charitable trusts and others, if they are recognised by the Commissioner of Income-tax, they get that advantage without any amendment under the Act. Similarly, for the scientific and medical research associations, if they are approved, then the Government has not to amend the Act, and they get the relief. Similarly, the Government should have come for powers that for this type of calamities also the Government will be given that power by notification, and then the problem in the case of such happenings in future could have been avoided, and you need not have to come everytime before this House for getting the sanction.

Sir, though I wanted to restrict myself only to the provisions of this Bill, I would also like to request the hon. Minister that this is the Jawaharlal Nehru Centenary Celebrations Year...

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Also there are so many Centenaries...

SHRI JAGESH DESAI: Wherever it is. Sir, there is a Jawahar Bhavan Trust. I would like the Government to consider whether the contribution made to the Jawahar Bhavan Trust during this year — I do not want for the future years — should be given 100 per cent relief. I would like the Government to consider this because Jawaharlalji was our first Prime Minister. He was the architect of this country. And today's development of the country is because of Jawaharlalji. And if the Jawahar Bhavan Trust has been created for the purpose of educating people about his ideas and ideologies and socialism and non-alignment, I think, this will be a fit case where the Government can give 100 per cent relief for the contribution made to the Jawahar Bhavan Trust. If not now, it should be at least

[Shri Jagesh Desai]

from 1st of April till the centenary celebrations are over.

Lastly, Sir, many points have been raised regarding surveys and searches. Sir, I know, the Government has to go on those lines. I do not want to say that everybody concealed the income. But everybody knows. And if surveys are conducted in the case of at least 90 to 95 per cent of those who have no salaried incomes, what is wrong there? Yes, there should not be any harassment. At the same time, when we talk about harassment to the assessees, we have also read reports that the Excise inspectors are assaulted at Surat.

In Haryana, when a survey team of the Income-Tax Department went, they were beaten. So, nobody bothers about them. If our officers have to do these kinds of operations for unearthing concealed income, they also should be supported and should be helped. Yes, no doubt, only because the electricity bill is Rs. 4000 per year, you issue the notices! That is not fair. I was under the impression that it is Rs. 4000 for one month. I told Mr. Raoof Valiullah that I am going to oppose it, because Rs. 4000 monthly bill on electricity is itself a case where survey should be done, and if it is not done, then Government officials are at fault and they should be taken to task. It is necessary that our resources should be generated and for that prupose, searches and surveys are a must. In my opinion it is necessary. But at the same time there should not be any coercion. If he wants to declare, let him declare. If he does not, then see his books in depth and if something is wrong, penalise him to the maximum extent possible, not just by 20 per cent or 30 per cent. Let there be 200 per cent penalty on such persons. There is nothing wrong.

As regards Ordinance, I fully support the first part. But regarding the second part, I feel, it is better that the Government, for fiscal measures or taxation proposals, may bring it at the time of amendment, at the time of Budget, and they should not bring this kind of an Ordinance only to give relief to some persons and not to the common man. With these words, I support the Bill.

SHRI JASWANT SINGH: It is customary at this stage to thank all the participants in the discussion. I has almost looked forward to clarifications on various issues that I had raised from the hon. Minister of State. Perhaps, he will do that when he replies to the discussion.

The hon. Minister of State, Shri Ajit Panja, mentioned about Armenia and the Armenian earthquake and then subsequently about section 80G, and the need for establishing a fund for it. I am still unable to establish the nexus, how the Armenian earthquake is connected with the Indian Airlines and the Air India, and I have listened to every speaker here from both sides of the House, and on this particular nexus and how in this Ordinance the two are lumped together, I have not yet found even a single speaker, including the Minister, to explain this point to me satisfactorily. Indeed, a question remains that if we needed to receive donations for a national calamity in a friendly country, in Armenia, why could not the funds have been received under the existing Prime Minister's Relief Fund and then thereafter the extension of tax benefits at 100 per cent granted to them. Members have pointed out that the Armenian earthquake took place on the 8th of December when both the Houses were in session. Indeed, they remained in session till 20th of December, and certainly I remain unconvinced as to why *post facto* Ordinance was necessary, and thereafter, to belittle the suffering of the people in Armenia, by lumping in the same Ordinance the absurdity of Indian Airlines and Air India's malfunctioning, because of which to grant them tax benefits etc. My point, therefore, remains about the Ordinance-making, about the Ordinances on the eve of Parliament...

SHRI JAGESH DESAI: To give tax benefits for aircraft on lease.

SHRI JASWANT SINGH: I am coming to it.

Through an Ordinance on the eve of Parliament Session, on the eve of the Budget Session—an Ordinance dealing with fiscal matters, dealing with taxation matters — you bring about changes in tax laws in relation to somebody else outside the country and then you lump it with Indian Airlines and Air India. I remain unconvinced. This has been done specially when the Budget Session was in the offing, as has been pointed out by a number of speakers. As I said, a Bill could have been brought forward in the Winter Session itself.

My friend, Mr. Morarka, made a very valid point, a very pithy one. I would underscore it. When you are granting hundred per cent exemption to the victims of the Armenian earthquake, why don't you give the same benefit to the victims of, for example, the Bihar earthquake?

SHRI KAMAL MORARKA: To the donors.

SHRI JASWANT SINGH: Indirectly, therefore, to the victims. People would donate as there is the incentive whether it is hundred per cent or fifty per cent. I am not interested in the relief to the donors. I am interested in the money reaching the victims. I would like the hon. Minister to explain. Why should not the same hundred per cent benefit be given in the case of the Bihar earthquake?

Some Speakers raised this question. One would be interested to find out. Mr. Valiullah asked this question. For the victims of the Armenian earthquake how much money has been collected? Another question is, how long are you going to keep this Relief Fund? I do not think you can keep it in perpetuity — a point which was underscored by my friend, Mr. Morarka. How can you keep a provision in the Indian Tax Laws, how can you keep such a provision, in perpetuity? This would be an important question which the hon. Minister of State for Finance ought to answer which yet again would underline, to my mind, the unacceptability of this Ordinance.

There is another question, a very interesting question, which my friend, Mr. Valiullah, asked. You provide this facility, this unacceptable facility, of deduction from tax in regard to the Indian Airlines and Air India. I would like to know how many aircraft have been acquired on lease from abroad under this provision. From whom have you acquired these aircraft? I would add one more question to this. In monetary terms as tax deducted at source, how much money has not been deducted or is not likely to be deducted in the one financial year if the provision had not been made available?

Sir, a number of speakers who have participated in the debate went away from Armenia and Indian Airlines and Air India, which is the scope of the Bill. They went into various other aspects of tax laws, into difficulties of taxation etc. To these aspects I shall not refer. I would request the hon. Minister of State to enlighten us on the points that have been raised by various Members including the points that I have raised in my original submissions and the others which I have underlined now. After the Minister's reply, perhaps, you can give me a chance either to persist with my motion of disapproval or to do whatever I feel.

SHRI AJIT PANJA: Sir, the first point I want to deal with is whether an Ordinance was required. The power, as you know, is taken from the Constitution itself. Hon. Members know that the power is given in article 123.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA) : Nobody has challenged the power.

SHRI AJIT PANJA: Why is it being done? Sir, the Ordinance making power is from article 123. The parameters are laid down there. Within the power of article 123, under what circumstances the President may promulgate an Ordinance? This is the law-making power of the President.

The hon. Member cited Shri Mavalanker's suggestion or a letter written to Pandit Jawahar Lal Nehru. The reply of Pandit Nehru was not read by him. May I have the opportunity to place it on record?

> "I think all may colleagues will agree with you that the issue of an ordinance is normally not desirable and should be avoided except on special and urgent occasions. As and when such an occasion may or may not arise is a matter of judgment. Not only the Government of a State but private Members of Parliament are continually urging that new legislations should be passed. Parliamentary procedure is sufficient to give the fullest opportunity for consideration and debate and to check errors and mistakes creeping in. That is obviously desirable. But all this involves considerable delay. The result is that the important legislation is held up. Every Parliament in the world has to face this difficult problem and various proposals have been made to overcome it."

Now the point is whether it was so urgent or necessary. If it is urgent and necessary, then obviously the hon. Members would agree that it is necessary to promulgate an ordinance. Let us take some dates. The last session continued up to 20th December, 1988. The earthquake took place on 8th December, 1988. The date of Ordinance is 24th of January, 1989. And this session started on 21st February, 1989. The question is, between 8th and 20th December, why this ordinance was not brought in? Immediately an earthquake takes place in a particular country, India is one of the first countries to reach there. The Prime Minister's Relief Fund for the purpose of giving relief to Armenia was opened before the Ordinance was issued. But to facilitate more contribution, it was thought necessary. By that time Parliament session was over. So it was to facilitate more contribution. It is not that with the promulgation of Ordinance the fund is opened. No. The fund was opened earlier. But to allow more contribution, to encourage people, to attract more contributions, on 24th January, 1989, this was promulgated.

Now earthquake is an act of God. No one has questioned the emergency that existed or the hurry that was necessary for the purpose of giving relief to a friendly country which is a friend in war and peace—i.e. Soviet Russia.

The next is regarding aircraft. Was that necessary? The draft agreement was in November, 1988. Now the agreement was not finalised. When the agreement was finalised, the first instalment was found to be payable by January February. The aircraft is a Boeing aircraft from Japan. Now if the first instalment is to be paid and the amount is not deducted at source, then the price that has to be paid is the actual amount which is to be paid as the lease amount. If we pay that, the immediate impact is that the cost of the ticket and the cost of other goods or materials carried by the aircraft would have increased. I do not agree that only affluent people are using aircraft these days. Students going abroad are not going by ship these days as we used to do in our young days when we went abroad for studies. The students who are going on scholarships or otherwise, people who are doing small business, the young entrepreneurs are going by Air-India to vari-

ous countries. So they have to pay. Various medicines are taken; important articles are taken; important cargo is taken. The price would have increased. I do not think in 1989, flying by aircraft to places where ordinarily trains and ships are not available is a luxury. With the advent of science, it has now become a necessity to save time.

SHRI JAGESH DESAI: This is an indefensible defence.

SHRI RAOOF VALIULLAH: Will you please yield for a moment?

SHRI AJIT PANJA: I will answer later on. Otherwise my chain of thought will be broken. I will certainly answer hon. Members questions.

Now the price would have increased, number one. Number two, to purchase this type of an aircraft, if we would have made an outright purchase, the country would have to pay 170 crores immediately. You have to save money. But still we need some aircraft because there are some aircraft which have been grounded I am not in any way saying that there is nothing wrong and civil aviation or any other thing is running well. But there are difficulties. But there are difficulties and so we needed some aircraft for such purposes. Even within the country some aircraft were necessary. There was one available. If we want to purchase, it is not available out of the shelf. Therefore, we entered into a lease agreement and that is why this was necessary. So, that is the reason. I do agree that normally Ordinances should not be taken recourse to, even in fiscal matters. it is not that we just wanted it. But if it is needed in such an exigency, if the President feels satisfied that an Ordinance has to be issued, then the law-making power of the President under article 123 is there and that has been exercised. I hope the honourable Members would realize that.

The next point which has been referred to is with regard to the donations that have been made.....*(Interruptions)*..... A point has been made by Mr. Kamal Morarka, and some others, why do you want to bring in " Prime Minister's Armenia Earthquake Relief Fund?" The Government was aware that ordinarily an Ordinance should not be issued when Parliament is not in session, when there is a question of taking money or taxation or giving relief. Kindly see the words used. The words used in the amendment are, "the Prime Minsiter's Armenia Earthquake Relief Fund." The argument is made, why don't you make it a fund in such a manner that, God forbid, if there is another calamity in another country beyond the shores of India, you may not have to bring in another amendment? Government was well aware that in a democratic set-up we must not have an omnibus, overwhelming, power by making an amendment. So we wanted to limit it only to that particular purpose on that particular occasion, which was necessary. I fully agree that it should have been a broad, omnibus, thing. Now, the comment is also made by Mr. Morarka—are we also importing, like we import various gadgets, earthquakes also? Probably he has missed it—he knows that. There is already a fund with 100 per cent exemption under section 80 G (2) (iii a) the Prime Minister's National Relief Fund. Mark the words. If it is a National Relief Fund, Armenia could not have been brought in. Had it been a "Prime Minister's National and International Relief Fund", probably it could have been brought in. But if we had done it by an Ordinance at that time, saying "National and International Relief Fund", then the Government would have taken such a big power in the name of Armenia, when Parliament was not in session. Therefore, it was thought, let us limit it only to

[Shri Ajit Panja]

Armenia and only to the earthquake. That is how it was done. For Bihar and Bhopal, whoever wants to contribute—people have done it—to the Prime Minister's National Relief Fund, there is 100 per cent exemption. Therefore, the honourable Member will kindly realize this. Of course, Soviet Russia is our friend and we feel proud that the people of India stood by them. Honourable Members are unanimous so far as the grant made is concerned, but it is not that Bihar has not been helped or Bhopal has not been helped. Anybody, anywhere—God forbid, if there is any natural disaster within the country—can be helped and the provision is there. If you see the special wording in clause (iii), it is there—Prime Minister's Drought Relief Fund. There was a severe drought. If there is a drought, anybody contributing to the Fund would get 100 per cent exemption. Like that, other provisions are also there. The honourable Member knows that. I don't want to cite 80G and all the other provisions. But this is the distinction made here.

So far as Chief Minister's Relief Funds are concerned, section 80G read with section 10 provides for 50 per cent exemption. This provision is already there. Therefore, anybody contributing to a Chief Minister's Relief Fund, when the purpose for which he is paying is "recorded", is also entitled to get that exemption.

Therefore, it is not that natural calamities within the country have not been taken care of. The law exists. Therefore, it was not necessary. I am sure, I need not cite the provisions by which 50 per cent deduction is given so far as the Chief Minister's Relief Fund is concerned. This provision has been made.

So far as the aid given in Bihar is concerned, hon. Members will certainly know this. I have got some notes from the Relief Department. I find that when Bihar was also affected, immediate relief was rushed there. Up till now relief worth Rs 16 crores 87 lakhs has already reached Bihar alone for the purpose of meeting the calamities there.

So far as the other question is concerned, there is already a provision to give it. Therefore, under these very circumstances, these two amendments were brought in.

In am not touching the other points which have been raised excepting that of Mr. Ahluwalia who certainly wanted to know what has been done in the Revenue Department in this one year when a new Ministry is brought in. Probably he wanted a personal explanation from me. Therefore, I think, it is better that I place it on record in the House. This one year I am not taking, but I am taking from the 1st of April, 1987 to 31st of March 1988 and from the 1st of April, 1988 to the 15th of March, 1989 because all other things have not yet come. Although we are using computers, it takes some time to get all those things. With the cooperation and help of all the hon. Members of both the Houses and the people, the officers have done well. If I may bring it to your notice, Sir, the revenue, customs, from the 1st of April, 1987 to the 31st of march, 1988 was Rs. 13,635.75 crores for one full year. From the 1st of April, 1988 to the 15th of March, 1989 it is Rs. 14,132.95 crores. We have reached the target fixed. Whether it is budget estimates or revised estimates, the officers have done well, and we have reached the target. We have put in whatever money was required and planned for. The central excise in one year, that is, last year, was Rs. 16,346.49 crores. By March, we have reached Rs. 16,496.89 crores. Therefore, it has already been reached even though 15 days are left.

Mr. Bagrodia complained about black money, and Mr. Ahluwalia wanted to know the value of seizures. The value of

seizures in last year was Rs. 289.17 crores. This year, up to the 15th of March, it is Rs. 494.75 crores. Without taking much time of the House, I would like to say that the average value per seizure compared between the two years, increased by 62.13 per cent. Seizure of gold has increased from last year by 241.60 per cent. The amount was Rs. 76.25 crores last year. This year it has gone up to Rs. 260.47 crores.

Hon. Members wanted to know about the action against blackmarketeers and others. The number of persons arrested has gone up when compared with the last year by 30.32 per cent. It was 2,506 last year: this year it is 3,266.

The COFEPOSA detention has gone up by 55.87 per cent. The number of persons actually detained has gone up by 16.55 per cent.

So far as the revenue is concerned, when income-tax is being discussed, the value of seizure has gone up by 13.5 per cent this year. The average value per seizure has gone up....

SHRI S. S. AHLUWALIA: I wanted to know the number of raids that were conducted.

SHRI AJIT PANJA: It is not a question of the number of raid by which it is decided; it is decided by how much has been realised. You can see from the average value per seizure.

SHRI VITHALBHAI M. PATEL (Gujarat): He should give the number of raids also. If the number of raids is coming down, it will give less amount.

Probably I could not make myself clear to the hon. Members. It is an average value per seizure. The word 'raid' is not found either in the Income-tax law or in any other tax law. The word is 'search and seizure'. Therefore, I am using the word 'seizure'. We are not making an aircraft raid or a military raid. We are going to the people's house. This legislature, this House, has approved this word and in English it has one meaning. It is search and seizure. That is why I am giving the average value per seizure. We are not doing it at random. Average value per seizure has gone up by 30.6 per cent than the last year's figure. Concealed income surrendered was Rs. 97.69 crores last year. This year on their own—because of the new law—it is Rs. 216.80 crores. The percentage increase is 122. Average surrender of concealed income per search has gone up by 154 per cent. Income-tax collection has gone up by 22 per cent. It was Rs. 2,412.98 crores. It has gone up to Rs. 2,944.30 crores. Mr Roof Valiullah wanted to know it. Otherwise I did not want to take more time of the House. Mr. Valiullah wanted to know it, with his usual exuberance and he was challenging me. Therefore, I thought I had better place it before the House.

Coming back to the small ambit of the amendments, I am not touching upon the other portions which have been pointed out. But whatever Mr. Raoof Valiullah has said about Gujarat, I have taken note of it. But it was pointed out in the House earlier also. I have taken note of it. Certainly we do not want to do any excesses whatsoever, but the Act passed by the House has given a certain duty. We are not going for survey operation as required under Article 133. We have sent a letter only. If a person gets a bill and without challenging it he pays electricity charges of Rs. 5,000 per month, isn't it the duty of my department to send a letter asking him if he was an assessee? Has he paid the assessed tax? We have not gone to his house. We could have gone, but we have addressed a letter. If somebody purchases a car and we find that he is not an assessee, is it not our duty under the law as passed by the House to ask him how he has purchased a car which is valued at Rupees one lakh and fifty four thousand, to let us know if he is an assessee and from where he has

[Shri Vithalbhai M. Patel]

got the money? We are not seizing his car.

SHRI RAOOF VALIULLAH : That is not what I said. I said something else. Are you doing the same thing to those staying in five-star hotels? Are you sending notices to them?

SHRI AJIT PANJA: We are going one by one. That was a reference made, not a notice sent. The reference made was that it appears from the registry that he got a new car. It appeared that he was not an assessee. If he was an assessee, please let us know. And if he was not, then please let us know how he purchased the car.

SHRI V. NARAYANASAMY (Pondicherry): You are sending these references only to those who are purchasing Maruti cars, not to those who are purchasing other cars.

SHRI AJIT PANJA: No. Sir, I don't know whether the hon. Member has recently purchased a Maruti car.

SHRI V. NARAYANASAMY: In Madras, I know, those persons whose registration was in respect of a Maruti car, they have been sent notices.

SHRI JAGESH DESAI: It is a very grave charge. He says the Government is not helping the public sector.

SHRI AJIT PANJA: Therefore, Sir, to answer Mr. Jaswant Singh—he made four or five points straightway and he said why an ordinance was necessary—I do agree with him that ordinarily the Government should not use ordinances. Even in fiscal matters there is no bar under Article 123. It has also been pointed out on various occasions by the Speaker and the Chairman that the Government should be very cautious. We have been cautious and I have given facts and figures. I am impressed by his argument but I am sorry that I do not agree with the two adjectives which he used. It is not at all any* honest on the part of the Government in promulgating the Ordinance. I do not know why he used the words* and I am sorry to hear these words from such a senior Member. I suppose these words should not be used on the floor of the House. Though I am a newcomer I was in the State Assembly, West Bengal for ten years and I never heard anyone using the words* or*. If these words were uttered the Speaker used to order immediately that they should got out of the proceedings of the House. But with full respect to the senior Member...

SHRIMATI RENUKA CHOWDHURY: I do not think we meant anything other than that. We are only translating them into verbal words so that you can take cognisance of an Act which is done outside and brought into the portals of this House.

SHRI AJIT PANJA: I am sorry the hon. lady Member was not present when Mr. Jaswant Singh used these words.

SHRIMATI RENUKA CHOWDHURY: How can you say that I had no access to what is happening in the House? How do you know that I was not sitting in the other room? I was sitting in the other room and listening to every word that is happening here. This shows the limitations of the Minister. He has rightly said that he was a "newcomer" He is not aware of the other procedures. I was listening to every word of the proceedings of this House. Even then that does not deter and limit my right to intervene...*(Interruptions)*...

SHRI AJIT PANJA: I do not know where the hon. Member was. I am sorry for saying that she was not present in the House. I could not keep track of her movements.

* Expunged as ordered by the Chair.

SHRIMATI RENUKA CHOWDHURY: When you are busy and seeming me elsewhere and tapping my lines, that is all right.

SHRI AJIT PANJA: If the hon. lady Member was in the Lobby, the Lobby does not form part of the well of the House. She cannot use quorum from there either.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): You should appreciate her intelligence.

SHRI AJIT PANJA: Sir, if that is the ruling, let the Minister speak and all of them can go out and hear. What is the use of quorum, Sir?

SHRIMATI RENUKA CHOWDHURY (Andhra Pradesh): I will press for quorum now.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Kindly take your seat....*(Interruptions)*....

SHRI AJIT PANJA: I thought that she would take these remarks sportingly.

Mr. Jaswant Singh a very senior Member used two words and I never heard those words in the proceedings of the House. With the little knowledge that I have, I have gone through the proceedings and I am sure there must have been something which agitated the hon. Member. I have tried to clarify what the urgency is. Having the greatest regard for the Members of the Opposition especially the senior Members, I am sure they will now realise that it is a country which is friendly to us. It was necessary for the people of this country to help the people of Armenia under these circumstances. I would request Mr. Jaswant Singh to withdraw his Resolution. I appeal to all the hon. Members to pass this Bill unanimously as it was done in the other House for the cause of the Armenian people. It is a friendly country which is waiting to see that we the House of Elders also pass this Bill.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Two other Members also wanted to know whether any amount was deposited in this fund.

SHRI AJIT PANJA: I could not lay my hands on it immediately and, therefore, I do not know.

SHRI JASWANT SINGH: Mr. Vice-Chairman, are you calling me?

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Now, I am going to call the resolution moved by you.

SHRI JASWANT SINGH: Mr. Vice-Chairman, I have just a word to say. The hon. Minister of State has referred to the two adjectives which I had used earlier and has found difficulty with and rightly so. So, if they are found unparliamentary, by all means, remove them from the record of the House. It has never been my intention to cast apersion on any one and certainly not to the ability of the Minister of State. He is a very able Minister. But nevertheless, the fact that this Ordinance is not merely limited to Armenia remains. Therefore if the Minister attempts to persuade me that because it is an Armenian Earth quake relief Ordinance, I am not persuaded. This is not only for that and Air India and Indian Airlines aspect still remains. Nevertheless, considering the propriety of the House and the mood of the House, I withdraw my resolution.

(The Resolution was of by leave, withdrawn)

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Now, I shall put the motion moved by Shri Ajit Panja, to vote.

The question is:

"That the Bill further to amend the Income-tax Act, 1961, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): Now, we shall take up the clause-by-clause consideration of the Bill.

Clause 2 was added to the Bill.

Clause 3: The Income-Tax (Amendment) Bill, 1989.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): There is one amendment by Dr. Yelamanchili Sivaji.

DR. YELAMANCHILI SIVAJI: Sir, while moving the amendment..*(Interruptions)*

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): You have already spoken.

I allow you one minute.

DR. YELLAMANCHILI SIVAJI: Sir, I beg to move.

"That the Rajya Sabha recommends to the Lok Sabha that the following amendement be made in the Income-Tax (Amendment) Bill, 1989, as passed by the Lok Sabha, namely:-

That the page 2, *after* line 4 the following be *inserted,* namely:-

"(iiiaaa) Chief Minister's Relief Fund in any State and the Chief Minister's Relief Fund in Andhra Pradesh for granting relief to the riot victims of December, 1988 in Coastal areas of the State."

Sir, in more than 12 States, there are non-Congress(I) Governments and unless...*(Interruptions)*... Recently severe calamity took place in the coastal parts of Andhra Pradesh and more than Rs. 100 crores worth property was damaged and no less a person than the Human Resource Development Minister, instigated the people. So, if anything is contributed to the Chief Minister's Relief Fund, it can also be exempted from the tax.

The question was proposed.

SHRI AJIT PANJA: May I just answer? Probably, the hon. Member was present. I have seen him. But, when I answered this question, he was not present. *(Interruption).*

DR. YELAMANCHILI SIVAJI: What is this?

SHRI AJIT PANJA: Please hear me. Don't get excited. Probably, all of us are hungry now. *(Interruptions).* When I answered this particular point, I said, anybody making any contribution for anything within the source of India, is covered under clause (iiia) that is the Prime Minister's National Relief Fund. Even if it is Andhra, Bhopal or Bihar earthquake, it is always covered under 100 per cent relief. So far as the Chief Minister's Relief Fund is concerned, 50 per cent concession is already there. If you kindly go through section 10 and section 80 G, the relief is there. Up till now, none of the Chief Ministers of the non-congress(I) States has written any letter to me nor any hon. Member has brought to my notice or to the notice of Mr. S.B. Chavan that anything has been done by my departmental officers becuase they are in the non-Congress(I) States. Whenever there is a parameter and if within the parameter the exemption falls, it is equally treated and I assure this House, if any hon. Member could bring to my notice anything done illegally because it is a non-Congress(I) State, I will certainly take action, because these exemptions are for the benefit of

human beings and also for the benefit of the victims of the natural calamities. Up till now, I have received no complaint from any Chief Minister of the non-Congress(I) States, from any hon. Member of the House. Whenever it is brought to my notice and it is said, "Mr. Panja, kindly see..."

Exemption was given but it has has been deleted. On enquiry, it was found that the Trust has taken loan and utilised the money for commercial purposes. Naturally, it goes outside the parameters and that is why it was done. I am sure the hon. Member is satisfied with my answer.

THE VICE-CHAIRMAN (SHRI SATYA PRAKASH MALAVIYA): I now put Mr. Sivaji's amendment to vote.

"The question is :

That the Rajya Sabha recommends to the Lok Sabha that the following amendment to be made in the Income-tax (Amendment) Bill, 1989, as passed by the Lok Sabha, namely:—

That at page 2, *after* line 4 the following be *inserted,* namely:-

(iiiaaa) Chief Minister's Relief Fund in any State and the Chief Minister's Relief Fund in Andhra Pradesh for granting relief to the riot victims of December, 1988 in Coastal areas of the State."

The motion was negatived.
Clause 3 was added to the Bill.
Clause 4 was added to the Bill.
Clause 1, The Enacting Formula and the Title were added to the Bill.

SHRI AJIT PANJA: I beg to move:

"That the Bill be returned

The question was put and the motion was adopted.

PAPERS LAID ON THE TABLE

I Notification of the Ministry of Finance (Department of Revenue) under subsection (2) of section 38 of the Central Excises and Salt Act, 1944.

II Notifications of the Ministry of Finance (Department of Revenue) under section 159 of the Customs Act, 1962.

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI AJIT PANJA): Sir, I beg to lay on the Table—

I. A copy (in English and Hindi) of the Ministry of Finance (Department of Revenue) Notification No. 112/89-C.E. dated the 31st march, 1989, amending Notification No. 205/88-C.E. dated the 25th May, 1988 so as to exempt solar photovoltaic cells to be used in the manufacture of specified items from whole of excise duty, under sub-section (2) of section 38 of the Central Excises and Salt Act, 1944, together with an Explanatory memorandum on the Notification. [Placed in Library. *See* No. LT-7667/89]

II. A copy each (in English and Hindi) of the following Notifications of the Ministry of Finance (Department of Revenue), under section 159 of the Customs Act, 1962, together with an Explanatory memorandum on the Notifications:-

(i) No. 134 / 89-Customs, dated the 31st March, 1989, prescribing Nil rate of duty on specified goods imported for the purposes of off-shore oil exploration / exploitation in supersession of Notification No. 334 / 88-Customs, dated the 31st December, 1988.